GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:5057
ANSWERED ON:21.12.2000
PURCHASE OF AIR TURBINE FUEL
BRAHMANAND MANDAL

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government are formulating any scheme to waive off the sales tax from Indian Airlines so as to reprieve it from the situation of deficit; and

(b) if so, the time by which this scheme is likely to be implemented?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a) and (b): No, Sir. However, with a view to encourage small aircraft (Turbo-prop) operations to connect small and non-metro cities, in January, 2000 it has been decided to provide Aviation Turbine Fuel (ATF) to such aircraft at international prices and notify such ATF as `declared good` under the Central Sales Tax Act, 1956 for capping levy of sales tax at 4%. The modalities of implementing these decisions are under examination.